

INDEX RULE BOOK

EURONEXT® Transatlantic Circular Economy 50 EW

Version 21-02

Effective from 15 Dec 2021

indices.euronext.com

This publication is for information purposes only and is not a recommendation to engage in investment activities. This publication is provided "as is" without representation or warranty of any kind. Whilst all reasonable care has been taken to ensure the accuracy of the content, Euronext does not guarantee its accuracy or completeness. Euronext will not be held liable for any loss or damages of any nature ensuing from using, trusting or acting on information provided. All proprietary rights and interest in or connected with this publication shall vest in Euronext. No part of it may be redistributed or reproduced in any form without the prior written permission of Euronext.

Euronext refers to Euronext N.V. and its affiliates. Information regarding trademarks and intellectual property rights of Euronext is located at <https://www.euronext.com/terms-use> .

© 2021, Euronext N.V. - All rights reserved.

For further information in relation to Euronext Indices please contact: index-team@euronext.com

Index

1. General		2
Version notes	2	
2. Index reviews		3
2.1 Objective	Error! Bookmark not defined.	
2.2 Review frequency and relevant dates	3	
2.3 Review Selection	3	
2.4 Periodical Weighting Update	4	
3. References		5
3.1 Reference Table	5	
3.2 Base currency	5	
3.3 Publication	5	
4. ESG Disclosures		6

1. GENERAL

This document is applicable to the Euronext® Transatlantic Circular Economy 50 EW (“Index Family”), which consists of all the Indices as mentioned in the Reference Table.

The Euronext Transatlantic Circular Economy 50 EW is designed to reflect the price level trends in the trading of shares listed in the Eurozone and USA.

Euronext Paris is the Administrator of this Index Family. For this Index Family no Independent Supervisor is appointed.

Euronext N.V. or its subsidiaries (hereinafter jointly “Euronext”) owns all intellectual and other property rights to the index, including the name, the composition and the calculation of the index. Information regarding trademarks and intellectual property rights of Euronext is located at <https://www.euronext.com/terms-use>.

VERSION NOTES

Version	Effective date	New or changed parts	Reference/announcement
21-01		Initial version	
21-02	15-12-2021	restyled version in view of newly published Calculation and Corporate Actions rulebooks	

2. INDEX REVIEWS

2.1 REVIEW FREQUENCY AND RELEVANT DATES

Review frequency:	Quarterly
Review Effective Date:	After the market close of the third Friday of March, June, September and December.
Review Cut-Off Date:	After the market close of the penultimate Friday of February, May, August and November.
Review Announcement Date:	At least six days before the Review Effective Date.
Review Weighting Announcement Date:	Two days before the Review Effective Date.

2.2 REVIEW SELECTION

Step 1: Index Universe

Index Universe definition

The Index Universe consists of the 500 Companies included in the Euronext Europe 500 index as well as the 500 Companies included in the Euronext North America 500 index.

At reviews this means included in the reference index after the Review Effective Date.

Step 2: Eligibility screening at reviews

At reviews the Companies included in the Index Universe are screened on disputable activity. Companies with the following characteristics as determined by V.E are not eligible:

- UN Global Compact: companies that do not communicate and/or do not comply with UNGC principle
- Controversies: companies with active controversies of severity flag critical
- Controversial weapons: companies involved in production and sales of controversial weapons
- Tobacco : companies involved in the production of tobacco ($\geq 0\%$ revenues)
- Fossil Fuel: companies with any involvement, major or minor, in fossil fuel and thermal coal
- Military: companies deriving more than 10% revenues from the production or sales of weapons

The following Companies are not eligible, based on scores determined by V.E, Companies that have:

- Environmental overall score < 30
- Waste Management score (ENV 2.5) < 50
- Management of Environmental Impacts from the Use and Disposal of Products/Services score (ENV 3.1) < 50

From the eligible companies after exclusions, only companies with either of the following characteristics are retained for final considerations:

- Average of Waste Management score (ENV 2.5) and Management of Environmental Impacts from the Use and Disposal of Products/Services score (ENV 3.1) ≥ 60 ; Or
- Involved in Circular Economy Products and/or Services.

The Euronext ESG Providers Methodologies document gives a detailed background on various scoring methodologies.

In case ENV 2.5 or ENV 3.1 scores are not available/relevant for a particular Company, this missing value is not treated as "0" for the purposes of negative exclusions. For example, a company with ENV 2.5 score not available (because this particular score is not relevant for the sector and therefore the score assessment is not activated), will not be excluded from the universe automatically based on the ENV 2.5 < 50 negative screening. It may, of course, be excluded from the universe based on the other filters. For the purposes of the positive retention screening and averaging the ENV 2.5 and ENV 3.1 scores, in case one of them is not available, the average will then default to the value of the one available score.

Step 3: Selection Ranking

The eligible Companies are ranked by free float market capitalisation.

Step 4: Selection of constituents at the reviews

The 50 highest ranking Companies based on free float market capitalisation are selected.

2.3 PERIODICAL WEIGHTING UPDATE

Weighting method

The index is Non-Free Float Market Capitalisation weighted, based on Equal Weight.

The Weighting Factors are explained in the following paragraphs.

Number of shares

The new weightings are calculated such that each constituent will have an Equal weight.

The Number Of Shares are determined based on the closing prices of the Companies to be included in the Index on the day prior to the Review Weightings Announcement Date generally the Tuesday.

Free Float factor

The Free Float Factors are not applied for this index family.

Capping Factor

The Capping Factors are not applied for this index family.

3. REFERENCES

3.1 REFERENCE TABLE

Index name	Isincode	Mnemo	Bloom-berg Code	Reuters code	Base date	Base value	Publication since	Index Type
Euronext Transatlantic Circular Economy 50 EW	FR0014003BU4	TCEPR	CIRCEP	.TCEPR	1 Jan 2010	1000	12 May 2021	Price
Euronext Transatlantic Circular Economy 50 EW NR	FR0014003BV2	TCENR	-	.TCENR	1 Jan 2010	1000	12 May 2021	Net Return
Euronext Transatlantic Circular Economy 50 EW GR	FR0014003BX8	TCEGR	CIRCEG	.TCEGRR	1 Jan 2010	1000	12 May 2021	Gross Return
Euronext Transatlantic Circular Economy 50 EW Decrement 5%	FR0014003BY6	TCED5	CIRCE50	.TCED5	1 Jan 2010	1000	12 May 2021	Decrement Return 5% on NR

3.2 BASE CURRENCY

The Base Currency of this index family is Euro.

3.3 PUBLICATION

The level of the Indices are in principle published every 15 seconds starting from 09:00 CET until US Markets stop regular daytime trading on the days when Euronext Markets are open for trading.

The opening level is calculated using the last known prices of traded constituents or in the case of constituents that have non-traded, halted or suspended status, the previous day reference prices or estimated prices (for IPOs, buyouts and swap offers).

The opening index level is disseminated at the same time as the first index level.

The closing level is the last level disseminated on the trading day.

4. ESG DISCLOSURES

EXPLANATION OF HOW ESG FACTORS ARE REFLECTED IN THE KEY ELEMENTS OF THE BENCHMARK METHODOLOGY	
Item 1. Name of the benchmark administrator.	Euronext Paris
Item 2. Type of benchmark	Equity Benchmark
Item 3. Name of the benchmark or family of benchmarks.	Euronext Transatlantic Circular Economy 50 EW
Item 4. Does the benchmark methodology for the benchmark or family of benchmarks take into account ESG factors?	Yes
Item 5. If the response to Item 4 is positive, please find below the ESG factors that are taken into account in the benchmark methodology and how they are used for selection, weighting and exclusion	
a) List of environmental factors considered:	<p>Exclusion:</p> <ul style="list-style-type: none"> • Companies with an Environmental overall score < 30 • Companies with a Waste Management score < 50 • Companies with a Management of Environmental Impacts from the Use and Disposal of Products/Services score < 50 • Companies facing UNGC critical controversies, revenue from Tobacco or Controversial weapons (anti-personnel landmines and cluster munitions) <p>Selection:</p> <ul style="list-style-type: none"> • Average of Waste Management score and Management of Environmental Impacts from the Use and Disposal of Products/Services score >= 60 Or • Involved in Circular Economy Products and/or Services
b) List of social factors considered:	Plases refer to a)
c) List of governance factors considered:	Please refer to a)
Item 6. Data and standards used.	
a) Data input. <i>(i) Describe whether the data are reported, modelled or, sourced internally or externally.</i> <i>(ii) Where the data are reported, modelled or sourced externally, please name the third party data provider.</i>	V.E: <ul style="list-style-type: none"> • Environment score • United Nations Global Compact (UNGC) screening • Controversies assessment • Controversial weapons involvement • Fossil fuel involvement • Military involvement

<p>b) Verification of data and guaranteeing the quality of those data.</p> <p><i>Describe how data are verified and how the quality of those data is ensured.</i></p>	<p>V.E represents and warrants that to the best of its knowledge the Methodology is robust and reliable, rigorous and capable of validating and verifying including, but not limited to, the following:</p> <ul style="list-style-type: none"> • shall promptly correct any errors made in its computations of the Data and inform Euronext thereof, immediately. • periodically review the Methodology • has clear written rules identifying how and when discretion may be exercised when deviating from the methodology • will inform Euronext prior to making any material change to the Methodology and will provide Euronext with the rationale for such change.
<p>c) Reference standards</p> <p><i>Describe the international standards used in the benchmark methodology.</i></p>	<p>V.E: the methodology behind ESG performance indicators and the assessment of controversies severity is based on the following international standards :</p> <ul style="list-style-type: none"> • Global Reporting Initiative (GRI) • OECD Guidelines for Multinational Enterprises, and sectorial guidance • G20/OECD recommendations on Corporate governance • UN Conventions and recommendations, • UN Global Compact Principles • UN Sustainable Development Goals • ILO Conventions , including the core ones, and recommendations • TFCD recommendations <ul style="list-style-type: none"> • Paris Agreement (UNFCCC)
<p>Information updated on:</p>	<p>May 2021</p>

Overview of Rulebooks and other documents applicable for Euronext Indices

The following documents, all available on or via the following link: <https://www.euronext.com/en/indices/index-rules> should be read in conjunction with this document or provide other relevant information for the reader.

BENCHMARK STATEMENT

The Benchmark Statement identifies the primary features of an index family or families of indices in the context of the EU Benchmark regulation. For ESG based indices it also contains disclosure of ESG factors and reporting of scores.

COMPLIANCE STATEMENT

The Compliance Statement provides details, for both significant and non-significant benchmarks, for which provisions the Administrator has chosen not to apply, and offers an explanation as to why it is appropriate not to apply each provision.

GOVERNANCE EURONEXT INDICES

The purpose of the 'Governance Euronext Indices' is to describe the role and responsibilities of each of the governance bodies that are part of the Benchmark Administrators of Euronext.

RULEBOOK OF EACH FAMILY OF INDICES

Each index is part of an index family that shares the basis for selection (universe) and which is managed in a comparable way. A separate rulebook is provided for each index family that will describe the specific features of that index family as well as specific elements of each index within that family.

INDEX CALCULATION AND PERIODICAL REVIEW Euronext Indices

The Methodology Euronext describes all common aspects that apply for the

- periodical reviews, and
- the calculation of indices

EURONEXT INDICES CORPORATE ACTION RULES

- treatment of corporate actions

of indices provided by Euronext Indices.

EURONEXT ESG PROVIDERS METHODOLOGIES

An overview of various methods applied by providers of ESG scorings and labels

PROCEDURES EURONEXT INDICES

These rulebooks describe the various procedures that are applied for all Euronext Indices:

- Correction Policy
- Announcement Policy
- Complaints Procedure
- Consultations Procedure
- Procedure For Cessation of Indices

RULES OF PROCEDURE INDEPENDENT SUPERVISORS

For each Independent Supervisor Euronext publishes a 'Rules of Procedure' that describes the responsibilities and composition of each Independent Supervisor.

BENCHMARK OVERSIGHT COMMITTEE CHARTER

The Benchmark Oversight Committee Charter describes the role and responsibilities of the Benchmark Oversight Committee.